

Q. What's better than the world's leading intelligent trading software, AIQ TradingExpert Pro?

A. The added bonus of leading analysts, advisors and money managers sharing their trading strategies.

The Style Index Rotation Strategy

Using Exchange Traded Funds (ETFs)

by David Vomund



"Trading style indexes allows investors to gain well-diversified exposure to a specific area of the market. Since an ETF holds a basket of stocks, one bad performer should have only a minimal effect on the price of the ETF."

The MAPS System

Moving Average Pullback System

by Steve Palmquist



"Pullback systems have been popular for a long time and are based on the observation that trends tend to continue, whether bullish or bearish and that pullbacks in the trend offer a defined risk entry."

Included with your



TradingExpert Pro service

The Best of Times, Worst of Times Trading Strategy

by Jay Kaeppl



"The overall portfolio involves buying and holding 10 industry groups at a time, 5 weak and 5 strong using baskets of stocks from each group."

The Efficient Stocks Strategy

by Dr. Van K. Tharp



"Efficient stocks are stocks that are moving up without a lot of volatility. The screen averages four different efficiencies from 180 days to 20 days. That actually gives you the best overall efficiency."

The Style Index Rotation Strategy

using Exchange Traded Funds

by David Vomund



David Vomund
AIQ Chief Analyst
Money Manager
and Publisher of
visalert.com

Strategy type

- Long
- ETFs

Holding period 2+ weeks

Instead of being locked into one trading style, it is best to employ a strategy that has the flexibility to rotate to the best performing market segment. That's what our **Style Index Strategy** is all about.

The **Style Index Strategy** trades securities that track various market indexes. These "style" indexes include large-cap growth, large-cap value, small-cap growth, small-cap value, and so forth.

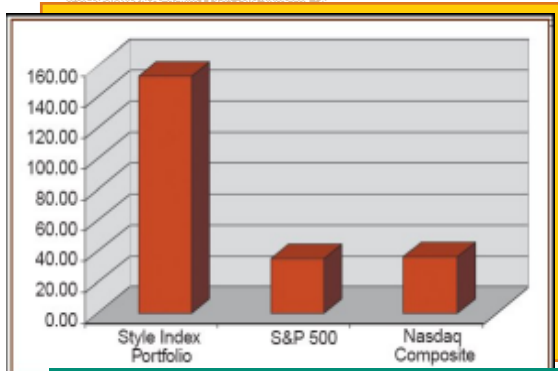
While mutual fund families like the ProFunds have funds that track these indexes, the best vehicle for trading style indexes is exchange traded funds (ETFs), the fastest growing financial product in the United States.

The strategy utilizes AIQ's Relative Strength-Short term report, purchasing the best performing ETFs.

Another winning strategy only in TradingExpert Pro



The Style Index was featured in the January 2005 issue of Stocks & Commodities magazine



Percentage return : From Jan 1, 1998 through June 30, 2004, the Style Index gained 146.24%, S & P 500 gained 29.275.

Ticker	ETF	Benchmark Index
DIA	Diamond	Dow Jones Industrial Average
QQQ	Nasdaq 100 Tracking Stock	Nasdaq 100
SPY	S&P 500 SPDR	S&P 500
MDY	MidCap SPDR	S&P 400 MidCap
IJS	iShares Small-Cap Value	S&P 600 SmallCap BARRA Value
IJT	iShares Small-Cap Growth	S&P 600 SmallCap BARRA Growth
IWM	iShares Small-Cap Index	Russell 2000

As with any investment strategy, past performance does not guarantee future results

The MAPS System

Moving Average Pullback System
by Steve Palmquist

Strategy type

- Long & short
- Stocks

Holding period 3 - 5 days

The MAPS system was created and tested by Steve Palmquist, who is a full-time trader investing his own money in the market every day.



Steve Palmquist
Veteran trader
and founder
Daisydogger.com



Steve has shared trading techniques and systems at seminars across the country

The MAPS system is a powerful tool that Steve runs to find interesting trading setups. The strategy looks at various technical setups, for example:

"The ticker must be in an uptrend, must have not fallen below the 30 day simple moving average in any of the past 20 trading sessions, and has pulled back to within 1% of the 30 day simple moving average."

Steve has shared trading techniques and systems at seminars across the country; presented at the Traders Expo, and published articles in Stocks & Commodities, Active Trader, The Opening Bell, and Working Money.

Steve's three keys to successful trading

- Knowing what to trade
- Knowing when to trade
- Varying your trading style to match the current market conditions.

Summary		Winners	Losers	Neutral
MAPS Short Code for AIQ SMA...				
Number of trades in test:	46	32	14	0
Average periods per trade:	2.83	2.81	2.86	0.00
Maximum Profit/Loss:		12.09%	(14.69)%	
Average Drawdown:	(1.12)%	(0.10)%	(3.46)%	
Average Profit/Loss:	1.50%	3.67%	(3.44)%	
Average SPX Profit/Loss:	1.16%	1.32%	0.78%	
Probability:		69.57%	30.43%	
Average Annual ROI:	194.36%	476.24%	(439.87)%	
Annual SPX (Buy & Hold):	(54.38)%			
Reward/Risk Ratio:	2.44			
Start test date:	03/11/02			
End test date:	08/08/02			
Pricing Summary				
Entry price:	[Open]			
Exit price:	[Open]			
Exit Summary				
Hold for 2 periods				

During the bearish market period of 03/11/2002 to 08/09/2002 MAPS yielded interesting results as shown in the table.

Another winning strategy only in TradingExpert Pro

As with any investment strategy, past performance does not guarantee future results

The Best of Times, Worst of Times Trading Strategy

By Jay Kaepfel



Jay Kaepfel
CTA and author
Dir. of Research
Essex Trading Co.

Strategy type

- Long
- Stocks

Holding period 3 months

The "Best of Times, Worst of Times" System.

So which is better? Buying "weak" industry groups or "strong" industry groups? My research indicates that the best approach might be to utilize both strategies rather than attempting to choose one or the other.

"While the "strong" groups generated the higher gross returns, the "weak" groups generated higher risk-adjusted returns. This trade-off in performance is another reason why it makes more sense to combine these two strategies..."

The overall portfolio involves buying and holding 10 industry groups at a time - 5 weak and 5 strong. The ideal way to trade these groups is through the use of "folios," also known as "stock baskets."

Annual results for the strong groups, the weak groups, and the overall portfolio. Notice that the portfolio outperformed the market each year.

Table 1 - Annual Returns

Year	Weak % +/-	Strong % +/-	Both % +/-	SPX % +/-	Both vsSPX
1993	71.4	90.9	83.3	7.6	75.7
1994	13.9	31.8	22.8	(1.4)	24.2
1995	86.5	119.6	102.9	35.2	67.7
1996	19.4	61.2	39.6	18.7	20.8
1997	30.3	37.0	33.6	32.3	1.3
1998	18.3	134.0	71.5	26.0	45.5
1999	88.0	272.6	173.3	18.5	154.8
2000	32.4	32.9	34.2	(11.8)	46.0
2001	49.1	83.9	67.6	(10.0)	77.6
2002	40.6	(4.0)	18.4	(21.3)	39.7
2003	104.0	45.8	73.3	17.0	56.3

Notice also that the strong groups performed best when the market was very strong such as in 1998 and 1999. The weak groups performed well once the market weakened. In 2001, the weak groups gained 49% and in 2002 they gained 40%. Year 2003 represents the weak groups' best year.

"To buy 'weak' groups, look for the worst performing groups over a 500-day period - then wait 12 months before buying those groups... To buy 'strong' groups, look for the best performing groups over the latest 240-day period and then buy those groups."

Another winning strategy only in TradingExpert Pro

As with any investment strategy, past performance does not guarantee future results

The Van Tharp Efficiency Strategy

by Dr. Van K. Tharp



Dr. Tharp
New York Times
Best Selling Author
Trading Coach
and Market Wizard

Strategy type

- Long
- Stocks

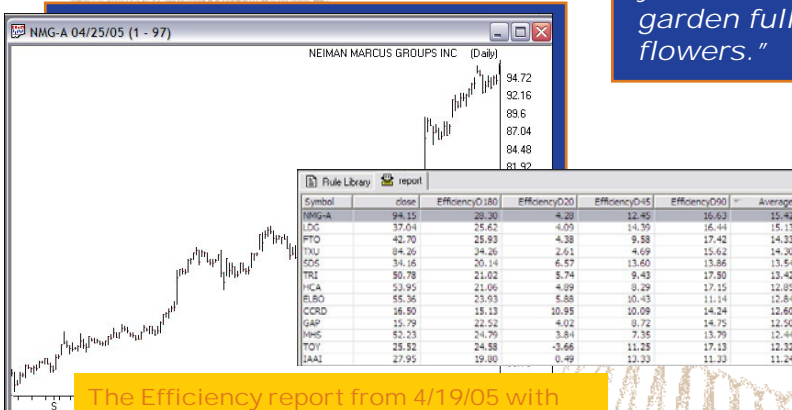
Holding period various

Efficient stocks are stocks that are moving up without a lot of volatility. I have a screen that looks at the change in price over the last X days. Divide that change in price by the average true range over that X-day period. I use a screen that averages four different efficiencies from 180 days to 20 days. That actually gives you the best overall efficiency.

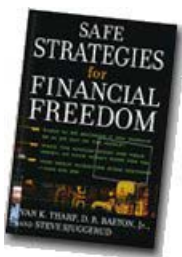
Stocks with the highest numbers are probably the most efficient – although you always have to look at the chart as well.

Sometimes the stock moves along at \$6 a share for a month, jumps to \$10, and then stays there. That kind of stock would also come out as being efficient.

"Comparing investing to gardening—you don't want to be a buy and hold investor in a secular bear market. However, if you continually get rid of your weakest stocks and keep the strong ones – you'll basically have a garden full of great flowers."



The Efficiency report from 4/19/05 with the top average efficiency stock Neiman Marcus Groups (NMG-A) displayed.



The Efficiency Strategy was featured in Dr Tharp's highly acclaimed book, *Safe Strategies for Financial Freedom*.

"We've discovered with much research that you need to spend a lot of time with your system thinking about your objectives. Then, assuming you have a fairly good system, you need to use position sizing to meet those objectives."

Another winning strategy only in TradingExpert Pro

As with any investment strategy, past performance does not guarantee future results



YOU'LL RECEIVE
ALL OF THIS FOR
ONLY \$59/mo.*



AIQ TradingExpert Pro - configured for these trading strategies

- The Style Index Rotation Strategy
- The MAPS System
- The Best of Times, Worst of Times Trading Strategy
- The Efficient Stocks Strategy

Plus all these tools

- Strategy Creation and Testing
- Real-time System Alerting
- State-of-the-Art Charting
- Market Timing
- Group & Sectors
- Canned Reports
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